

# **MICHIGAN HIGHER EDUCATION FACILITIES AUTHORITY FEES**

**Effective October 1, 2005**

## **GENERAL OPERATING FEE ON A TAX EXEMPT BOND ISSUE**

The general operating fee of the Authority is 1/25 of 1% (0.0004) of the total outstanding bond principal balance.

The fee is calculated monthly by multiplying the outstanding principal amount of the bonds on the first of the month by 1/25 of 1% (0.0004). This calculation is then divided by 12.

There is an annual fee cap of **\$15,000**.

The fee is collected annually in arrears and is due August 1<sup>st</sup> of each year.

For the higher education facility with multiple bond issues, the total of **all** bond issue's outstanding principal balances is used to calculate the monthly fee amount. The monthly fee amount is then allocated to each individual bond issue using the fraction whose numerator is the individual bond issue outstanding principal balance and whose denominator is the total of all the bond issues outstanding principal balance for the higher education facility.

## **FEDERALLY TAXABLE BOND ISSUE FEE**

The fee for federally taxable bond issues shall be 1/40 of 1% (0.00025) of the outstanding principal amount of the bonds and calculated separately from the fee charged for tax-exempt bond issues.

## **SHORT TERM VENDOR FINANCING FEE**

Short term vendor financing fees will be a one time, up front fee of 0.15 of 1% (0.0015) of the principal amount of the loan for a three year loan, 0.25 of 1% (0.0025) of the principal amount of the loan for a five year loan, and 0.35 of 1% (0.0035) of the principal amount of the loan for a seven year loan. The fee will be billed at closing.

If at the time of financing the Obligor is at the annual fee cap the short term vendor financing fee will be waived